VZCZCXRO3187 OO RUEHCI DE RUEHKT #0252/01 0631235 ZNY CCCCC ZZH O 031235Z MAR 08 FM AMEMBASSY KATHMANDU TO RUEHC/SECSTATE WASHDC IMMEDIATE 8092 INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 6326 RUEHLM/AMEMBASSY COLOMBO PRIORITY 6652 RUEHKA/AMEMBASSY DHAKA PRIORITY 1931 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 4683 RUEHLO/AMEMBASSY LONDON PRIORITY 5900 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 2248 RUEHCI/AMCONSUL KOLKATA PRIORITY 4038 RHMFISS/CDR USPACOM HONOLULU HI PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHEFDIA/DIA WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY RUEKJCS/SECDEF WASHDC PRIORITY RUEHGV/USMISSION GENEVA PRIORITY 1995 RUCNDT/USMISSION USUN NEW YORK PRIORITY 3105

C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 000252

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E.O. 12958: DECL: 03/03/2018 TAGS: <u>PGOV</u> <u>PTER</u> <u>KDEM</u> <u>NP</u>

SUBJECT: NEPAL: COUNTDOWN CONTINUES: 38 DAYS UNTIL CA

ELECTION

REF: KATHMANDU 243

Classified By: Deputy Chief of Mission Randy W. Berry. Reasons 1.4 (b/d).

Summary

11. (C) The three United Democratic Madhesi Front parties filed proportional representation (PR) candidate lists on March 2 for the April 10 Constituent Assembly election. Thirteen other parties also submitted candidate lists. This brought the number of participating parties to 55 and the total number of candidates for the 335 PR seats to almost 5,900. Gagan Thapa, a key Embassy contact in the Prime Minister's Nepali Congress (NC), told post he expected the NC would perform poorly in the polls.

Madhesi Parties File PR Candidate Lists

12. (U) As expected, the three United Democratic Madhesi Front (UDMF) parties, which signed an 8-point agreement with the Government of Nepal (GON) and ended their 16-day Terai "bandh" on February 29 (reftel), took advantage of the Election Commission's (EC's) extended deadline for proportional representation (PR) candidate lists, to file lists on March 2. Madhesi People Right's Forum Nepal (MPRF) submitted 201 names for the April 10 Constituent Assembly election, and the Terai Madhes Democratic Party and Nepal Sadbhavana Party submitted 100 names each. (Note: The increase in the PR threshold to 30 percent -- one of the main Madhesi demands -- allowed parties filing up to 100 candidates to avoid ethnic and caste-based quotas. End note.)

Other Parties Take Advantage Too

13. (U) Thirteen other parties also took advantage of the filing extension to submit PR candidate lists, including at least one which had initially boycotted the election because of the absence of an agreement with the agitating UDMF parties. The small, opposition, parliamentary Rastriya Janashakti (National People's Power) Party of former Prime Minister Surya Bahadur Thapa turned in a list of 299 names.

In the wake of a five-point agreement that the GON signed on March 1 with the Federal Republican National Front (FRNF) -- an alliance of janajati, Dalit and Madhesi groups -- that had been conducting a parallel bandh in the eastern Terai and hills, the FRNF also ended its agitation and filed candidates. One FRNF group, the Madhesi People's Rights Forum Madhes, which split from the MPRF in August 2007, chose not to sign, and announced plans to continue its protests.

55 Parties Hope To Participate

4, (U) According to the EC, the 16 more parties that filed on March 2 brought the total number of parties submitting PR lists to 55, out of 74 registered parties. It brought the total number of candidates for the 335 PR seats in the 601-member CA to 5,882. Parties that previously filed PR lists have reportedly begun to submit corrected lists that conform to the election law, including the various quotas. The EC will not publish the final list of PR candidates until April 4. The next (extended) deadline is March 6 for first-past-the-post (FPTP) lists.

NC Harmed By Lack of Young Candidates

15. (C) Gagan Thapa, the former head of the student wing of Prime Minister Koirala's Nepali Congress, told Emboff March 3 that the NC's failure to include young people in its PR and FPTP lists had cost it the support of a generation. (Note: Over 50 percent of Nepal's voters are age 18 to 35, according to Youth Initiative General Secretary Sudyumna Dahal. End

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note.) Thapa said many dissident candidates in the NC would contest against their own leaders as independents. (Comment: Although Thapa's name appears only on the NC's PR list and he was prevented from running in Kathmandu-10, presumably so Maoist chief Pushpa Dahal, aka Prachanda, would not face a strong opponent, he gave no indication he would run against his party.) Thapa also said the NC would be unable to campaign effectively because the Prime Minister was too frail to travel, disenfranchised students and young leaders would be less inclined to campaign than they had in the past, and other party leaders would be confined to campaigning in their own constituencies. In addition, the NC's official republican stance would persuade royalists who had supported the party in 1999 to vote for the Rastriya Prajatantra Party (National Democratic Party or RPP). (Note: The RPP has traditionally been close to the Palace. It placed third in the 1999 election. End note.)

NC Faces Other Challenges

16. (C) Moreover, Thapa stated that hill-origin Nepalis in the Terai, who believed the NC-led government had given too many concessions to the Madhesis, would cast their votes this time around for the Communist Party of Nepal - United Marxist Leninist (UML). Additionally, the Maoists would target NC strongholds and avoid UML areas, Thapa predicted. Even without an electoral alliance with the UML, the Maoists would concentrate in 60 FPTP constituencies and use any means necessary to win. National Democratic Institute country representative Dominic Cardy separately corroborated the NC's weak position when he told the Deputy Chief of Mission on February 29 that the party could no longer depend on winning any constituency in the Terai, its traditional support base. Cardy said the NC would have to depend on an electoral alliance with the Madhesi parties if it were to hope to challenge the UML for predominance.

Comment

Democratic Madhesi Front has significantly boosted the likelihood the Constituent Assembly election will occur as scheduled. The signing on March 1 by the Government of Nepal of a political accord with another agitating group, the Federal Republican National Front, further increases the momentum in favor of an election. Meanwhile, the comments by Nepali Congress insider Gagan Thapa confirm what other local observers have been saying for weeks: the NC is the least prepared of the major parties going into the election. More cynical observers have commented that the NC would be the true wildcard, searching for an excuse to cancel the election. On February 27, Sujata Koirala, the Prime Minister's daughter and Minister without Portfolio, told Emboffs privately that she did not think an election was possible and painted a bleak picture of her party's internal divisions and its electoral prospects. Now that the major Madhesi parties are on board, the NC will have a hard time justifying any excuses. POWELL